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A B C's for universal prosperity

[Milwaukee, Wisconsin]

[c1935]

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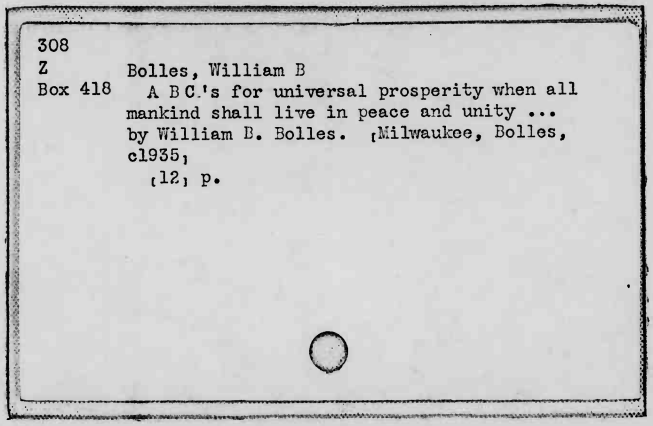
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A B C's

— for —

Universal ..Prosperity..

when all mankind shall live in peace and unity

AQUARIUS

Advance Guardian of Mankind

308
Z
Box 418

by William B. Bolles

Price 15 cents ***Two copies 25 cents*** ***Ten copies $1.00***

This poem is particularly befitting the subject matter of this thesis.

"If you can sense the One in all creation
And see the good in every brother's face
Without respect of creed, or race, or nation
If you can feel at home in every place
If you can love your country with devotion
And love all other countries too
If you have freed yourself from class emotion
And understood the others' point of view.
If you can sense in all life's kin a brother
And see God blossoming in every flower
If by no thought or word you hurt another
And fill with noble deeds each fleeting hour
If all your thoughts and words and deeds are holy
And every thing from highest motives done
And all your work is based on service only
You're very near to the Divine,
My son."
There let me place you.

Amen.

Living Souls with Acres of Diamonds:
Let us now be up and doing
Let us see what has been done.
Look upon the Pilgrim Fathers
For our battle, theirs was won.

Paul Revere now rides till Peace again
Abounds in Earth and Sky and Heaven.

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Gift
Teachers College
8.26.36

1/28/31

Social Adjustments Through Economics

Your mind is alert. It is all right to trust brains, but for your own protection, sense properly. Better that you arrive at a wrong conclusion and lose rather than kill initiative and die. We learn through our mistakes.

I know your patience and endurance have been taxed to the limit. You have received many ideas and have studied many plans for ending depressions. Come, let me get you away from them all. A little vacation if you choose. I can make you free and as happy as a lark in the spring time. Will you try me? A good listener always wins because you have the chance to compare what you hear with what you already know.

I really mean to end this depression and at the same time save our Government millions of dollars. The proposal is absolutely sound and squares fully with American Fundamentals. Are you sure the depression is over and that the causes are known? Do you know the effects of the agencies used? I am sure the older we grow in experience, the less confidence we have in results. Every thing is a kaleidoscope. Revolve it and it continually looks different. We are all hanging on by our toes. Gravity holds us up, not down. I cannot be charged with distrust of any institution or hoarding. I hold no brief for any private affiliation. I take full responsibilities as I defy the gangs and racketeers.

I am not interfering the least iota with established institutions. I believe the American Constitution is a spiritual instrument as well as the greatest bill of rights in the history of man. I am glad I was born and have always lived under the Stars and Stripes. I expect all business transactions will continue to be executed according to law in compliance with the wishes of the parties concerned.

I am not interested in banks, life insurance, pensions, building and loan associations, savings deposits, postal savings, mortgages, transactions on the stock exchanges, investments, the gold standard, foreign debts, public and private, foreign exchange, the tariff, politics or any of the other questions with which the public has concerned itself. The special interests in view of present developments are very well able to take care of themselves.

I'll say there was a panic the other day when the banks closed. I could not buy anywhere on credit. I was just plain out of luck and out in the cold. But what is the difference whether you haven't and say you have or whether you have and say you haven't. The blood left my stomach and rushed to my head. That is all right, I had it anyway. You ask, "Why do you not ask for county aid?" I am strong and am better able to provide the products of toil. Besides I own real estate. How foolish to think I can do nothing for the community without the banks. You see I must provide relief for the poor. The law specifies the amount each one receives, the pensions and the services the public demands. I must provide work for the unemployed so the street improvements were replaced and a new pavement laid. I also must take losses as people with whom I do business go into bankruptcy. Some of us must maintain the civic morale.

How different is all this from that first Thanksgiving in Plymouth colony. Success had crowned their efforts. The Pilgrims had only the coins made in England and Holland, which they brought along. They had no coin factory. It was much more important for them to produce commodities, render services and live. The word coin is derived from the Latin word cuneus, which means wedge.

Land was cheap. Land and more land could always be obtained. When this land was used at a profit, up bobbed taxation without representation. An assemblage of Bostonians disguised as Indians destroyed several hundred chests of tea.

I believe firmly in the principle of collective bargaining which of course contemplates capital. Capital is taxed in these United States, and hence owners of capital are capitalistic slaves. I maintain that taxes including taxes on real estate must and can only be levied on demonstrated income. Real Estate and improvements thereon standing vacant through no fault of the owner will not have taxes or assessments levied against them. It is better that the properties be condemned and paid for, no matter what the price rather than that the investment be confiscated entirely by levying taxes in excess of income. Why tear down our good buildings?

The author published and placed in circulation information entitled "A B C of Milwaukee's Assessment Law." The discouraging fact is that

in the face of much publicity, approximately two people out of every three voting on this question at the polls, favored the law. This information deals with the confiscation of real estate.

I must make a very bold statement. A debt does not exist and interest on a debt only adds to make a larger nothing. You see that stone over there. The operation of natural laws gives us what we understand to be a stone. Natural laws do not produce debts and hence debts are contrary to natural laws and interest only adds to the contrariness. I shall admit, however, that we are now paying the penalties for breaking natural laws, although our marvelous growth has been due to our lawlessness.

I loan money on real estate. I receive notes secured by mortgage. The notes are not paid when due. I foreclose the mortgage. I either get the $10,000 property for $67.50, the sheriff's charges, the money I loaned, and other expenses and costs of the foreclosure proceedings and I promptly seek a deficiency judgment or else the strong arm men horn in on the sale, buy in the property for the debtor and I lose out. A transaction which can be settled one way or the other so easily, is of little consequence.

"Times are good—keep them good." You well remember those words. I am encouraged to buy everything under the sun on time. I buy an automobile for $1,000. I pay $200 down and give my notes for the balance, $800. The Finance Corporation gets the notes. I drive the car around the block and I cannot sell the car for $200. Study our recent banking legislation. We have not even seen the pyramids. Bales of Government bonds are held by the banks and used as collateral for government currency. You and I pay the interest. Yes we pay and pay and pay.

Let me keep my feet on the ground as I talk in plain English. I want you to save one dollar a day for 300 days. Your savings for one year is $300. I want you to continue saving $300 a year for eleven years. You have actually deprived yourself of $3,300. Your savings must be invested regularly at 7% compound interest during the entire period of eleven years. You are now free. Don't save any more money as long as you live. You cannot touch the $5,000. You must invest the $5,000 at 6% annually. Your return is $300 per year, which with the 7% interest thereon compounded as before, gives you another $5,000 at the end of another eleven years. Now as regular as clockwork, your interest continues to double in amount every eleven years. You cannot touch this interest because this is capital. It is savings. It is what you have put away for your old age.

The physical producing powers of man are subject to the law of diminishing returns. Time and tide wait for no man. Age creeps upon you. There are injuries and losses due to the forces of nature and progress and other causes. I believe my statement is conservative when I say that for every dollar of natural resources in this country, including the services and commodities we have added with our own life blood, every dollar has had thirty-seven cents drawing interest in 1929. Eleven years after 1929 seventy-four cents will be drawing interest. I also believe that out of every dollar earned in 1929 twenty cents was used to pay interest and reduce principle. Of course you will wait for your money. Tolstoy tells of the reward, a parcel of land 2 feet by 6 feet.

George Washington wrote to a friend in England that "the peaceful plains of America are either to be drenched with blood or inhabited with slaves." We have the record of the cycles of prosperity and depression. I take it what could not be done in war, is done with coin. Hostilities, embargoes and debt repudiations have all made the past depressions. Lincoln said, "I have two enemies, one in front and one behind. The rebels in front and the bankers behind, and of the two, the rebels are the more honorable."

Personally I cannot see much difference between a National Bank with State wide branches and a Socialistic State Bank with local branches. It is only a question of which group of politicians is in control. It is the daddy in the home satisfied on Christmas with a necktie and a pair of socks, who always pays. The masses of the people have always been exploited so that the special interests might be benefited. Analogous history always repeats itself.

I want to tell you a story credited to Horace Greeley. There was one of those great depressions. A hamlet was located at the cross roads. The people had congregated in the blacksmith's shop where a little warmth radiated from the fire in the forge. Everybody owed everybody else. There was no business and no money. The doctor drove up to have his horse shod. The blacksmith knew the doctor had no money, but of course he would shoe the horse and he did. Very much to the surprise of the blacksmith when he had finished, the doctor paid him a dollar. Everyone's eyes were wide open. The blacksmith had no chance to hide and hoard the dollar. He paid it to the grocer, the grocer paid it to the painter and the dollar circulated back and forth many times until a half-witted boy spoke up in his high-pitched voice and said, "Doctor I did not know I was ever going to pay you the dollar I owe you, but here it is." Everybody had been paid by everybody. Times were good. All were happy and went about their affairs, confidence had been restored.

I am going to end this depression. It takes national legislation, Uncle Sam is the doctor. I guarantee there are no racketeers. The proposal with your united support triumphs in depression; pays its own way. No public cash aids vast undertaking.

I am going to loan the Postal Savings System one dollar for one year at 2% interest per annum. I am going to increase the payroll of the American people month by month. The Copyrighted Proposal is entitled, "Government Controlled Postal Spending Certificates in Exchange for United States Currency."

The Government will save 2% on $500,000,000, which amounts to $10,000,000 on one item alone if the living currency proposed is placed in the pay envelopes of the men in the Reforestation Service.

Mention this little book to your friends. I shall be pleased to appear before any assemblage of interested people and reason out and explain fully the proposal. I want you as an individual to give it your wholehearted support. Make the proposal stand as is and integral unto itself.

Theodore Roosevelt once told a pompous and insistent individual, "I shall not change my opinion for a body of men, much less shall I change it for one man." The laws of the universe, universal laws cannot be changed. Time and distance make little difference when associated with eternity and infinity. Whether we go forward or backward, the summation is a comprehensible entity. Fools build houses for wise men to live in especially when the buildings are to the North or West of town. The American is a game looser with a spirit of sportsmanship which ostracises the idea of redistribution of wealth. Public necessity is the summation. The individual circumstance makes little difference. Faith is the one inherent possession of each soul continuously from birth even onto eternity. We resent the insinuation that we are born free and equal only for an infinitesimal instant. Unfair if not fraudulent practices of domineering wealth and politics have no place in the land of the free and the home of the brave.

FIRST

Take an average group of 100 souls, 75 years after birth:

63 are dead, one is wealthy, 2 are well to do, none are earning a living, 34 are dependent.

You have the picture. Public necessity demands new legislation to regulate the getting and holding of commodities and services and to make readjustments of wealth to the universal law. Why should the weakness of life and the savings for old age make the one man wealthy and the 34 men poor. Surely no one is getting any thing for nothing when the State provides well without pauperizing all the souls 75 years of age and older in this group. Will you stop immediately all assessing of taxes, and levying assessments and benefits on modest homesteads of souls in this group? Will you pass legislation immediately for automatically refinancing debts on this type of property?

SECOND

Take an average group of 100 souls, 65 years after birth:

36 are dead, 1 is wealthy, 4 are well to do, 5 are earning a living, and 54 are not self-supporting. One more than half the number of souls in a democracy rules. Five souls have accounted for more than their share of work hours in an average life time. The State will provide for them in addition to all souls 65 years of age and older in this group. The age limit is lowered again.

THIRD

Take an average group of 100 souls 55 years after birth; 20 are dead, 1 is wealthy, 3 are well to do, 46 are self-supporting and 30 are dependent. These men form a labor reserve to be drafted in time of war. They are free to work at non competitive jobs. When there are not enough jobs to go around, it is better that the youth of the land have the preference at the expense of the souls 55 years of age and older in this group. The age limit is lowered again.

FOURTH

The crisis is reached for 100 souls 45 years after birth:

16 are dead, one is wealthy, three are well to do. 65 are earning a living and 15 are not self-supporting. Civil service rules, laws limiting the number of souls practicing in the professions and trades and the age limit placed by the industries, transportation systems and commercial employers have taken away almost all opportunity for men 45 years of age and older to get jobs. Workers at this age in some classifications, are eligible for pensions. Think of the unfairness of compelling 65 men earning their own living, to provide pensions while those favored with the pensions compete for the available jobs with their 65 fellow workers. I am placing the age limit for men in competitive jobs at 45 years. The State automatically provides for the soul 45 years of age who is compelled to have a job in order to get the services and commodities necessary to maintain life.

To further eliminate the thought of pauperism, I propose that all souls now 45 years of age and all younger souls upon reaching the age of 45 years, transfer to the State to be fully owned and administered by the State all earthly possessions excepting Faith, thus providing required education and employment of youth. We who are responsible must provide the opportunities and avenues of access to their inheritance. Better that we see how they handle it during our lifetime. Our sympathy may at times help those who want to give the young souls a chance.

Our good citizens rallied to the call of our President, Franklin D. Roosevelt, in the month of March, 1933, and voluntarily surrendered into the hands of the bankers $204,600,000 in gold coins and $255,700,000 in Gold Certificates in even exchange for currency. These noble souls have shown us the way to freedom. We have faith in our government. Without faith we would be in a state of panic. I now proceed to present information which you will need for a comprehensive understanding of what it is all about.

$4,989,000,000 of United States currency circulated in the year 1931.

$21,940,000,000 on the average, every month of the year 1931, circulated in the form of credit currency. Technically known as Bank Clearings for the City of New York.

In addition—

$12,230,000,000 on the average, every month of the year 1931, circulated in the form of credit currency, technically known as Bank Clearings for the United States outside of New York City.

$34,170,000,000 is the total amount of credit money issued when averaged, monthly.

$410,040,000,000 is the total amount of credit money which cleared in the year 1931 in the whole United States.

The National Bank Act of 1864, passed and a System of National Banks for supporting Federal Credit was created. A 10% tax was levied on money issued by state banks. Deposit banking and credit currency then appeared to take the place of the money taxed out of existence. Think back through a life time. How much money has the average individual ever counted?

Deposit Banking and Credit Currency Explained

A customer is a man who has dealings with a bank.

The customer takes his collateral, endorses it properly, and gives it to the banker along with his notes for which credit in dollars is made to the customer's account with the bank. No money is passed in the transaction. You will, of course, understand that dollars are now at his disposal, and the customer is free to issue checks calling for these dollars which he places in circulation. The checks are redeemed through the clearing house and the amount of each check is charged to the customer's account by his bank. The checks are used freely like United States currency to buy services and commodities. The customer receives credit currency (checks), in exchange for his services and commodities. The customer deposits the checks he receives and the bank credits his account with the dollars involved. Financial writers are inclined to the view that credit currency takes care of 90% of the dollars involved for every hundred dollar transaction. This estimate is based on averages.

Laws enacted by the Congress of the United States control the issuing of currency to banks. The gold you gave the banks is used along with a fixed percentage of something which creates credit dollars as the basis for issuing new currency to the banks. The bankers must be first consulted if this money is to go into circulation and then only for value given, and if acceptable to them.

To further amplify the explanation of credit currency, the customer must have the proper credentials and is introduced to the banker through the proper channels. Credit dollars are placed at his disposal on his account with the bank, provided he files a financial statement with the bank and signs and gives the bank his judgment note for the amount of the credit money involved in the transaction. This note in all probability and the gold and gold certificates you gave the banker will enable the bank to get more currency from the United States Treasury. This new currency will buy government bonds with interest coupons attached. These bonds and other assets of the bank enable the bank to go on pyramiding as the bank completes another transaction and comes away from the treasury with more currency.

Herbert Hoover while campaigning for re-election for the Presidency in the fall of 1932 said, "Something has happened." He left us to guess what. Let us see the new statistics for the year 1932 which are now available:

$5,614,000,000 of United States currency circulated in the year 1932.

$6,320,000,000 of United States currency circulated in March, 1933.

$13,350,000,000 were the average monthly Bank clearings for New York City.

$8,070,000,000 were the average monthly bank clearings for the United States outside of New York City.

$21,420,000,000 was the total average monthly issue of credit money for the whole United States in 1932.

$50.40 is the per capita circulation of United States currency in March, 1933.

$450,000,000,000 was the statistically estimated wealth of the United States in the year 1929.

$200,000,000,000 to $250,000,000,000 is the price of it today.

$150,000,000,000 is the statistically estimated debt of all kinds in these United States in the year 1929.

$5,000,000,000 is the total amount of shrinkage of the debt structure since 1929.

Government costs are up.

$14,500,000,000 is the tentative estimate for the year 1932. Combined Federal, State and Local Government cost expenditures.

$11,609,030,000 is the amount of foreign war debts. Reference, Statistical Abstract of U. S., 1932, Department of Commerce, page 202. These foreign debtors bought services and commodities. Naturally they will pay in services and commodities.

The American people have confidence in the judicial department of the Government of these United States. The supreme court compositions have maintained the right of the legislative and executive departments to function as our Federal Constitution originally intended they should function.

The bankers are very active. We are told that they have the situation well in hand. We are now to guarantee depositors against loss on money placed to their credit in banks. We are told that credit is easing. That bad accounts are now good accounts on a prosperity wave.

I propose that the State pay an adjusted pension to each and every person who retires from giving commodities or rendering services on reaching the age of 45 years. . . . To provide funds for the payment of pensions and for costs of administering the pension department of Government, each and every person over 45 years of age at the time the pension act becomes effective and all persons upon reaching the age of 45 years thereafter shall be dispossessed of all property, both real and personal, by the State. I further propose that additional pension funds be obtained by taxing every dollar of credit currency (checks) controlled by the National Banking System, the State Banks, Private banks and bankers and Societies for savings, Investment Trusts, etc., Federal Farm Loan Banks, Joint Stock Land Banks, Federal Intermediate Credit Banks, and every dollar involved in transactions on the several stock and commodity exchanges, one-half cent.

Old Age Security Explained

Old age security which provides a monthly income of $200.00 starts on the sixtieth birthday. Prepare to become a beneficiary under a plan which is sound and which will pay for itself. You understand you will not be permitted to accumulate wealth in your own right. You will neither construct a mausoleum nor will you construct a Wall Street in a cemetary. It is not intended that the youth shall live off the old people. The politicians will not assess benefits which contemplate a Wall Street about some obscure street intersection; at the expense of widows and orphans. You brought nothing into the world. You will take the pauper's oath truthfully as you make the change from this life because no material thing will be taken with you. You will leave no estate.

The question of the source of this income is very important. You must contribute one dollar per day (three

hundred days for each year) for eleven consecutive years, immediately succeeding your sixteenth birthday. The total amount of your gifts is $3,300.00. The compound interest accruing on your gifts has amounted to $1,700.00 at the end of the first eleven year period. The $1,700.00 interest added to your $3,300 gifts, place $5,000 in the capital fund. (A trust fund in which you are the beneficiary under certain conditions.) The money goes where it rightfully belongs, to guarantee your old age security.

Six percent interest on the $5,000 capital fund now produces during the second eleven-year period a capital increment of $300 per year for each year for eleven consecutive years. You do not make contributions of a dollar per day as you did during the first period of eleven years. Your first contributions are at work for your old age security. You are only twenty-seven years of age. Provide for your needs from day to day until sixty years of age. Old age will take care of itself, this way, viz: $3,300 and 7% interest compounded thereon as before ($1,700 is the total amount of the new accrued compound interest for the eleven year period) makes a new total of $5,000 which the first $5,000 earned during the first eleven years has produced for your old age security during the second period of eleven years. This is what is meant when "Capital doubles itself every eleven years". $10,000 is in the capital fund when the twenty-third year begins.

Capital continues to double every eleven years. $20,000 is in the capital fund when the thirty-fourth year begins. $40,000 is in the capital fund when the forty-fifth year begins. The gifts in your youth and the accruing interest compounded amounts to $40,000 at the end of the forty-four years made up of a series of four periods of eleven years each. You were sixteen years of age when you started funds for your old age security. The nest egg in your capital fund has grown during forty-four years. You are now sixty years of age. I congratulate you as I now give you the income from $40,000 for the balance of your natural life time.

The $40,000 loaned out at 6% interest annually brings in $2,400 interest money per year annually. Divided in twelve equal monthly payments, you receive $200 per month which is payable to you, the beneficiary, as old age security for each and every month you live after reaching the glorious age of sixty years. May God bless you. Will you help provide for your own security in old age? I stamp my foot. You are not doing this thing for me. I again repeat you understand when you are deceased your estate has no claim on the $40,000.

You are only one of the ten million people who have attained to the age of sixty years. Each one of these beneficiaries in the old age security funds has the same benefits in old age you enjoy. The six per cent compound interest accruing on four hundred billion dollars provides a sum of money annually sufficient for the payment of old age annuities. $2,400 per person per year. None of the expectant souls will live in old age dissatisfied. The capital wealth of the entire U. S. A. is estimated at between $250,000,000,000 and $450,000,000,000. The value of the entire wealth of the nation when loaned at the rate of six per cent interest per annum provide the funds for old age security.

Horace Greeley has shown us how to eliminate our debt structure. He showed us the way to lasting prosperity from a material standpoint. No interest charges to be paid in real money entered into his plan. Debtors are ruined by paying compound interest charges.

The spending of the savings of the masses of the people at the rate of one dollar per day per person for eleven consecutive years if indulged in by 10,000,000 people which is only a small fraction of the population of the U. S. A. will pauperize this entire population 125,000,000 in 45 years provided of course all the dollars thus spent get into the hands, ownership and control of the few privileged people who all the time loan out this entire amount of money at 7% interest compounded semi-annually, and provided further these same people loan out additional funds accruing from loaning out promptly all interest moneys earned at 6% compound interest.

For safe banking you, of course, must understand, security in real wealth in the form of houses and lots, hats and coats owned by the borrower must be placed in the hands and actual control of the lender before credit money (checks) is given the borrower by the lender when the borrower gives the lender his judgment note or pay to order note. The borrower is always at the mercy of the lender. Past performance has shown that 90% of the credit money involved in the transaction remains on deposit and under the control of the lender. These proceedings are very unfair if not fraudulent to say the least. The lenders always in making safe loans insist on sufficient equities to eliminate possibility of loss to themselves. An enlightened public well knows how the lenders are still further protected at the expense of all of us.

My friend asked me, "You paid the compound interest $145,000,000,000 which has accrued on you during eleven years on your $145,000,000,000 debt structure did you not?" I said, "I did." My friend said, "You do not owe the interest any more do you?" I said, "No." My friend said. "You paid back the $145,000,000,000 you borrowed, did you not?" I said, "I did." I not only put up the actual wealth worth more than the $145,000,000,000 as security for repayment of the loan of $145,000,000,000 which I paid in money to the lender. I also paid the lender $145,000,000,000 in money to cover the compound interest charges. My friend said, "You have now brought back prosperity. Nobody owes anybody else anything of value any more." I said, "That is true but here is the situation: I am not borrowing any more money. I have been trimmed enough. The lenders now have $290,000,000,000, the unearned increment if you please. The lenders must find new customers, new borrowers for the $290,000,000,000. Willing Uncle Sam comes running in willing to borrow $50,000,000,000. The states come in a close second prepared to borrow $20,000,000,000. A large oil corporation of New Jersey proposes to borrow $50,000,000 from the banks on short term notes. The oil corporation will use the borrowed money to pay off $50,000,000 of bond issue. The people (the public) who surrender their bonds will receive currency which will be deposited in the banks. You see how a comparatively small amount of money manipulated by the insiders wins tremendous financial transactions.

Here is where the shoe pinches. The money called for by the coupons attached to the bonds held by widows and orphans no longer is paid after the bonds are called in and paid for in currency. The interest money goes to the bankers at the expense of all of us. What will other corporations do? $290,000,000,000 will be drawing interest in the year 1945."

Let us assume that $40,000,000,000 is the national income per year for 125,000,000 people. Let us further assume that $23,000,000,000 is taken from the $40,000,000,000 to pay taxes and interest. It is probably conservative to say that 25,000,000 people are supported by the $23,000,000,000. There are 100,000,000 people remaining who must live on $17,000,000,000 per year. You remember how to figure your fractions and the cancellations. You have the answer $170 per year of 365 days, 50 cents per day is the average income per person. If one person receives more another person receives less. 100,000,000 people demand food, clothing and shelter. You know the answer.

I want to give you instruction in the use of disappearing money which I have called postal spending certificates. The followers of Moses while in captivity in Egypt did not collect wealth from their own bankrupt debtors. Later we find in another country the debtor chained to the man who loaned until the debt is paid. Even though crushed under the cruel Pharaoh, the followers of Moses prospered in the land of their captivity. Certainly the two men chained together cannot do much to torment their neighbors. Why are we who are the sap which brings forth the fruit, the maple syrup and the sugar to borrow wealth? Rather we are to loan our wealth in the following manner. For the purposes of demonstration I use a single dollar legal tender in the U. S. A. I loan this dollar to the Postal Savings System. The dollar is mine. I have the right to dictate the terms of the loan. I do not demand a judgment note which is favorable to the lender at the expense of the borrower. I get two per cent interest per annum. The government has the dollar for one year with right of renewing the note. The government pays back the dollar designated in the note at any P. O. in the U. S. A. or any of its possessions to a class beneficiary who is designated. A farmer will designate a farmer. A laborer will designate a laborer, a business man will designate a business man. Each class group demands that the dollars placed in circulation by that group through the medium of disappearing money will return dollar for dollar to that group in dollars legal tender in the U. S. A. Each note must be validated each month by the class beneficiary who is charged one cent by the government for each validation. Thus each beneficiary who has been caught with the note at the monthly validation time has collectively during the current year, paid the national government twelve cents for the twelve monthly validations. The government in ten years has caused the dollar borrowed to be on hand for repayment of the dollar called for by the note.

Disappearing money is handled this

way. The laborer gets his accident compensation in dollars. He exchanges the dollars for disappearing dollars with labor designated the class beneficiary. He spends the disappearing dollars where ever they are acceptable during the month. If he keeps them at validation time, he is penalized each month one cent for each dollar. To prevent the disappearing dollar becoming void who ever gets the disappearing money must get it back into the hands of labor in time for validation. The disappearing money circulates back into the hands of labor at least twelve times during the current year at a cost to labor of twelve cents per annum. The total number of dollars placed in circulation in disappearing dollars must come back to labor. Labor by increasing the number of disappearing dollars in circulation will receive a monthly turnover for their entire amount, of disappearing dollars circulating.

I am asked to answer this question: "Why in our representative government where the majority rules at all times for the best interests of all our peoples if our government functions as it was originally intended to function, and where each one of us is an indispensible and integral part of one large famly which in its national store house has a vast surplus in every item in our national inventory of services and commodities, I repeat why do we as individuals suffer dire want when we have the ability to produce and collect all the good things of life?"

I begin to answer your question by observing the patient and sacrificing spirit of our people without any thought of pity to make themselves martyrs. Great faith placed in the mighty advance in wealth has blinded us to our poverty. How can we as individuals continue to collectively give away great riches and keep them too? Our people have toiled for success in business, for a reputation in the profession, for a career, for the future for the children, for the unearned increment in property or material values, and for other rewards earned and unquestionably due them with interest.

Today every person supporting a vertical union demands a living wage for their services and commodities. No minority of our people can much longer dictate the standards for living or the costs of same for the great masses of intelligent people whose hearts are filled with love for all mankind entirely irrespective of race, cast, color, creed or where geographically located. All things will be revealed in this age of materiality. Taxes and interest cause too great a difference between what the consumer pays and what the laborer receives for his labor. Let the laborer receive all that the consumer pays.

Profits in services and commodities at the end of each fiscal year will be deposited in the national store house for adjusted distribution amongst all the people not receiving old age security. The costs for operating outlet branches of the national store house, costs for transfer and transportation and other charges are paid in full in services and commodities in the national store house in a form suitable and acceptable to each individual person member of a vertical union, (1) who contributes services and commodities to the national store house; (2) who handles, protects and replaces the national wealth, and communication; (3) who provides the national and local defense, health, care for the problem cases, safety, education, improvements in the arts and sciences and professions, inventions, personal advancements in skill and culture, entertainment, luxuries, spiritual interpretation and general welfare activities.

All persons between the ages of 45 and 55 years who have been blessed with normal, useful and spiritual lives and who are fully prepared, properly qualified and who are otherwise eligible (no person shall receive pay for teaching other than actual expenses) shall be workers in the teaching profession which ranks highest in the callings to which people give their attention in this new day of reality.

You recall the story of Hiawatha, the little Indian Boy. He wanted to become a great hunter and serve his tribe. He needed a bow and arrow. Hiawatha must make his own. Each time he completed his work, he showed it to the older Indians. Each time the Indians showed the boy how the bow and arrow could be improved all within his understanding and comprehension. The sweetness of that child mind which always searched for new suggestions to work into his own knowledge appeals to all of us. Finally Hiawatha was sure the bow and arrow must work so he stole away into the dense forest. He hid himself near a pathway where he was sure a deer would pass. True enough, a large deer came into sight. The shadow of the leaves of the trees were on its back. The arrow flew. Hiawatha hurried to the wigwam to tell his grandmother the glad tidings. The big Indians could not believe Hiawatha. The little boy had never told a lie. The Indians went down with him into the forest. They brought back the deer and a great feast was held for Hiawatha.

Today knowledge gained by education and training in arts, sciences, crafts and useful professions is important and necessary. Knowledge, man's real treasury, affords honor prosperity, security and exultation. O may our souls not be kept in shadow by the material things which hold our bodies earth bound. Rather may the best activities and thought of the community be reflected by each and every teacher who is the most potent factor in civilization. All false conceptions, wrong ideals, devastating prejudices and bad habits must be eradicated completely. Education is universal and preference is given to education for women.

No teacher shall work more than three hours per day, and not longer than six months in any one locality. Teachers shall study, attend lectures, carry on research work and experimentation and shall associate with the citizens in the activities of the community in which they are located at the time. Each teacher will have experienced and reflected the activities and thought of twenty communities during his ten year teaching career.

The teacher from 55 to 65 years of age will have no definite assignments. The pupils who have become attached to the teacher, his own children and grand children may become his proteges. Why should not an Edison or a Burbank possibly lying dormant through each teacher, not be brought forth in the garden of our day. Each teacher will shine forth with the brilliancy commensurate with his capacity. No two teachers will have the same capacity but the light from each will add to the total light which advances civilization.

Slum clearance and new tax free suburban homes. The City of Milwaukee has probably one hundred homesteads in its lower Fifth ward, an area bounded by Lake Michigan on the East, the Milwaukee River on the North, South First Street on the West and the Kinnickinnic River on the South. The land inside these boundaries is designated area A. The people occupyng these homesteads have paid their share of taxes and assessments for everything possessed by the City of Milwaukee. Taxes are being paid for the 35th street viaduct, the court house, schools and all services which are city wide.

The governments both national and local have become property owners who are tax free and have become competitors. Transients now occupy the government properties at low rentals. These tenants must be given all the municipal services, schools, streets, fire and police protection, county institutions and health services and facilities for recreation, parks, libraries, museum, natatoriums and play grounds. Taxes on private property provide the revenues which are spread over the tax free property. Property cannot be of two kinds for purposes of taxation. How can you expect privately owned real estate and improvements thereon to be repaired, insured and looked after.

One-half the population of the City of Milwaukee lives West of North 27th street and South 27th street. Why provide all the municipal services for people occupying 100 homesteads in area A? Why maintain and continually keep enlarging public schools adjacent to area A when 500,000 people are interested in the facilities offered by schools?

Area A and the people living therein are subjected to smoke, gases and fumes from a gas house, coke plant, brass and steel foundries, paint and varnish factory, two terminal freight yards, smoke gases and dirt from two railroads, steam boats and steam tug boats, monoxide gas from the highways and arterials, packing house smells and odors from a sluggish river. Rats and vermine are only incidentals. Any plan for slum clearance shall provide properties of equal value in the suburban areas because pond lilies and apple blossoms are more acceptable to the people occupying the homesteads in area A than a slow death. I show how the Milwaukee assessment law is applied to area A.

The law is like this: The Mayor appoints three political judges who are confirmed by the City Council. These political judges go out and get what the city wants by purchase, condemnation or by gift. Then the three judges establish an assessment zone and according to their best judgment assess costs of benefits in whole or in part on taxpaying property in the assessment zone. When this judgment is confirmed by the City Council, the Mayor issues bonds against the individual property owner who must pay off the bonds just as though he himself had borrowed money on first mortgage. The law is a quick method for foreclosing and confiscating privately owned property with no consideration for the person who has the first mortgage. The law is retro-

active to January 1, 1926. This means the city can assess for improvements made in the past. The best legal opinion has taken the view that the city can assess privately owned real estate over and over again for the same improvement, should the owner sell at a profit. There is no limit to the percentage of the tax value which may be assessed. It may be the assessment will be many times the value of the property. The city has at present 275 to 300 projects which it wants to undertake.

"SECTION I. Grant of Power. The City of Milwaukee may exercise the power of acquiring any property by gift, purchase or the power of eminent domain for any of the purposes stated in Section 3a of Article XI of the constitution of this state and also for public alleys, grounds, harbors, libraries, museums, school sites, airports, markets, hospitals, ward yards, bridges, VIADUCTS, water works, water mains and distribution, projecting, constructing and maintaining sewers, AND ANY OTHER MUNICIPAL PURPOSES; and the power of determining damages caused by the exercise of the aforesaid power and by any public improvement herein authorized, and the power of MAKING, LEVYING and COLLECTING special benefit assessments upon property benefited, and the power of financing improvements, and ALL POWERS conferred by this Act, in the manner hereinafter provided."

Each property owner may expect to pay good money for one or more of these projects because executors, administrators, assignees, receivers, trustees and PUBLIC OFFICIALS are governed in their action by state law.

The city, in presenting its case at Madison, took the position that the Republican House, located at North Third Street and West Kilbourn Avenue, is worth $750,000. Mr. Alvin Kletzsch, when given an opportunity to talk two weeks later said, "I am only one of nine heirs, but I will sell my 1/9 interest for $50,000." The city proposes to give the Republican House enough money to pay for the help, things to eat and laundry, while the city takes all the income for 55 months as an assessment for the Kilbourn Avenue widening. Downtown property owners pay, but listen: The Oscar Brachman interests actually got $240,000 for 30 feet at N. Sixth Street and W. Wisconsin Avenue. The Uihlein people across the street want $440.000, but propose to give the city $120,000 as a benefit. Zingen & Braun, diagonally across from the North Shore Depot, also want a part of a million dollars. All these Sixth Street property owners were at Madison clamoring for passage of the Kline Law, either in person or through attorneys.

Fifth Ward improvements, where Kline Law Assessments are contemplated, include the blending of S. First Street into the N. Water Street bridge, $250,000; S. Barclay Street widening, $2,800,000; Allis-Chalmers property, $1,000,000; Illinois Steel Company property, $3,000.000; bridge across the Kinnickinnic River at foot of Greenfield Avenue and the Lincoln Memorial Drive South, more millions. Following the procedure mandatory in Senate Bill No. 123-S, "All of said assessments may be paid at the office of the city treasurer without interest, within thirty days after publication of this notice. If not so paid, said assessments will be placed on the tax roll as provided by law and collected at the same time for the collection of taxes together with interest thereon at the rate of six per cent per annum from the date of the confirmation of said assessments to the first day of February following the tax roll upon which the same may be placed." The law further provides if time is taken for partial payments, right to appeal to the courts is forfeited. I am firmly of the opinion the said law is contrary to and breaks down American Principles. What is the basis for this law? Greatest justice is honesty of thought.

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